



Senate

General Assembly

File No. 511

February Session, 2004

Substitute Senate Bill No. 29

Senate, April 7, 2004

The Committee on Finance, Revenue and Bonding reported through SEN. DAILY of the 33rd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING GRANTS TO DISTRESSED MUNICIPALITIES AND TOURISM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 32-9s of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage and*
3 *applicable to assessment years commencing on or after October 1, 2002*):

4 The state shall make an annual grant payment to each municipality,
5 to each district, as defined in section 7-325, which is located in a
6 distressed municipality, targeted investment community or enterprise
7 zone and to each special services district created pursuant to chapter
8 105a which is located in a distressed municipality, targeted investment
9 community or enterprise zone [(1)] in the amount of fifty per cent of
10 the amount of that tax revenue which the municipality or district
11 would have received except for the provisions of subdivisions (59),
12 [and] (60) and (70) of section 12-81, [, and (2) in the amount of fifty per

13 cent of the amount of the tax revenue which the municipality or
14 district would have received except for the provisions of subdivision
15 (70) of section 12-81.] On or before the first day of August of each year,
16 each municipality and district shall file a claim with the Secretary of
17 the Office of Policy and Management for the amount of such grant
18 payment to which such municipality or district is entitled under this
19 section. The claim shall be made on forms prescribed by the secretary
20 and shall be accompanied by such supporting information as the
21 secretary may require. Any municipality or district which neglects to
22 transmit to the secretary such claim and supporting documentation as
23 required by this section shall forfeit two hundred fifty dollars to the
24 state, provided the secretary may waive such forfeiture in accordance
25 with procedures and standards adopted by regulation in accordance
26 with chapter 54. The secretary shall review each such claim as
27 provided in section 12-120b. Any claimant aggrieved by the results of
28 the secretary's review shall have the rights of appeal as set forth in
29 section 12-120b. The secretary shall, on or before the December first
30 next succeeding the deadline for the receipt of such claims, certify to
31 the Comptroller the amount due under this section, including any
32 modification of such claim made prior to December first, to each
33 municipality or district which has made a claim under the provisions
34 of this section. The Comptroller shall draw an order on the Treasurer
35 on or before the following December fifteenth, and the Treasurer shall
36 pay the amount thereof to each such municipality or district on or
37 before the following December thirty-first. If any modification is made
38 as the result of the provisions of this section on or after the December
39 first following the date on which the municipality or district has
40 provided the amount of tax revenue in question, any adjustment to the
41 amount due to any municipality or district for the period for which
42 such modification was made shall be made in the next payment the
43 Treasurer shall make to such municipality or district pursuant to this
44 section. In the fiscal year commencing July 1, 2003, and in each fiscal
45 year thereafter, the amount of the grant payable to each municipality
46 and district in accordance with this section shall be reduced
47 proportionately in the event that the total amount of the grants

48 payable to all municipalities and districts exceeds the amount
49 appropriated.

50 Sec. 2. Section 216 of public act 03-6 of the June 30 special session is
51 repealed and the following is substituted in lieu thereof (*Effective from*
52 *passage*):

53 (a) For the fiscal years ending June 30, 2004, and June 30, 2005, the
54 Commissioner of Revenue Services shall segregate twenty million
55 dollars from the revenue attributable to the sales tax imposed under
56 subparagraph (H) of subdivision (2) of subsection (a) of section 12-407
57 on any hotel or lodging house. Said funds shall be deposited in the
58 Connecticut Commission on Arts, Tourism, Culture, History and Film
59 account, established under section 213 of [this act] public act 03-6 of
60 the June 30 special session for the administration and operation of the
61 Connecticut Commission on Arts, Tourism, Culture, History and Film.
62 Such funds are in addition to [funds made available to the commission
63 in subsection (b) of this section] funding provided to the commission
64 in subsection (a) of section 243 of public act 03-6 of the June 30 special
65 session. The commission shall allocate funds for the fiscal year ending
66 June 30, 2004, from said account as follows for, but not limited to, the
67 purposes so specified:

68 (1) One hundred fifty thousand dollars to the Greater Hartford Arts
69 Council;

70 (2) Six hundred thirty thousand dollars to the New Haven Coliseum
71 Authority;

72 (3) One million seven hundred ten thousand dollars to the Stamford
73 Center for the Arts;

74 (4) Fifty thousand dollars to the Stepping Stone Child Museum in
75 Norwalk;

76 (5) Six hundred seventy-five thousand dollars to the Maritime
77 Center Authority in Norwalk;

78 (6) Two million two hundred fifty thousand dollars for basic
79 cultural resources grants;

80 (7) One million one hundred thousand dollars for the operation and
81 administration of state historic preservation programs and the
82 operation and administration of the four state museums;

83 (8) Four million seven hundred fifty thousand dollars to the
84 regional tourism districts established under section 215 of [this act]
85 public act 03-6 of the June 30 special session, provided each district
86 shall be allocated nine hundred fifty thousand dollars;

87 (9) One hundred twenty thousand dollars to the eastern regional
88 tourism district, established under section 215 of [this act] public act
89 03-6 of the June 30 special session, for promotion of tourism in the
90 [Quinebaug-Schetucket] Quinebaug-Shetucket Heritage area in
91 Connecticut;

92 (10) One hundred twenty thousand dollars to the northwestern
93 regional tourism district, established under section 215 of [this act]
94 public act 03-6 of the June 30 special session, for promotion of tourism
95 in the Litchfield Hills area;

96 (11) One million dollars to the Connecticut Humanities Council;

97 (12) Thirty thousand dollars for the Historical Resources Inventory;

98 (13) Fifty thousand dollars to the Amistad Committee for the
99 Freedom Trail;

100 (14) One hundred thousand dollars for Amistad vessel;

101 (15) One million two hundred sixty thousand dollars to the New
102 Haven Festival of Arts and Ideas;

103 (16) One hundred fifty thousand dollars for the New Haven Arts
104 Council;

105 (17) One hundred twenty thousand dollars for the eastern regional

106 tourism district, established under section 215 of [this act] public act
107 03-6 of the June 30 special session;

108 (18) One hundred twenty thousand dollars for the central regional
109 tourism district, established under section 215 of [this act] public act
110 03-6 of the June 30 special session;

111 (19) Nine hundred thousand dollars for the Palace Theater in
112 Waterbury, provided the entity designated to operate the theater is the
113 Palace Theater Group, Incorporated;

114 (20) Four hundred ten thousand dollars to the Beardsley Zoo;

115 (21) Sixty-two thousand five hundred dollars to the Mark Twain
116 House and sixty-two thousand five hundred dollars to the Harriet
117 Beecher Stowe House;

118 (22) Three hundred sixty thousand dollars for film projects and film-
119 related activities; and

120 (23) All other administrative, operating and personnel costs of the
121 commission, including, but not limited to, those related to the
122 promotion of culture, history, arts, tourism and film in the state.

123 (b) Notwithstanding the provisions of sections 210 to 242, inclusive,
124 of [this act] public act 03-6 of the June 30 special session and subsection
125 (a) of section 243 of public act 03-6 of the June 30 special session, the
126 Secretary of the Office of Policy and Management is authorized to
127 make adjustments to the allocations for the Connecticut Commission
128 on Arts, Tourism, Culture, History and Film based on expenditures
129 already made in the General Fund or other funds to support the
130 predecessor agencies during the fiscal year ending June 30, 2004, and
131 any allocations of funding made through any intercept for the fiscal
132 year ending June 30, 2004. Any withholding of funds shall not be
133 greater than the amount expended for such purposes and in no event
134 shall the overall funding for the Connecticut Commission on Arts,
135 Tourism, Culture, History and Film diminish from the aggregate
136 allocated.

137 Sec. 3. Subsection (b) of section 210 of public act 03-6 of the June 30
138 special session, is repealed and the following is substituted in lieu
139 thereof (*Effective from passage*):

140 (b) The commission shall:

141 (1) Market and promote Connecticut as a destination for leisure and
142 business travelers through the development and implementation of a
143 strategic state-wide marketing plan and provision of visitor services to
144 enhance the economic impact of the tourism industry;

145 (2) Promote the arts;

146 (3) Recognize, protect, preserve and promote historic resources;

147 (4) Interpret and present Connecticut's history and culture;

148 (5) Promote Connecticut as a location in which to conduct filming
149 and to establish and conduct business related to the film and video
150 industries to enhance these industries' economic impact in the state;

151 (6) Beginning with the fiscal year ending June 30, 2006, and each
152 fiscal year thereafter, prepare and submit to [the General Assembly, in
153 accordance with section 11-4a, and to] the Office of Policy and
154 Management, in accordance with sections 4-77 and 4-77a, [a biennial]
155 budget expenditure estimates and recommended adjustments for the
156 next succeeding fiscal year or years and a detailed accounting of
157 expenditures for the prior fiscal year, a copy of which shall be
158 submitted to the General Assembly, in accordance with the provisions
159 of section 11-4a;

160 (7) Establish a uniform financial reporting system and forms to be
161 used by each regional tourism district, established under section 215 of
162 [this act] public act 03-6 of the June 30 special session, in the
163 preparation of the annual budget submitted to the General Assembly;

164 (8) Integrate funding and programs whenever possible; and

165 (9) On or before January 1, 2005, and biennially thereafter, develop

166 and submit to the Governor and the General Assembly, in accordance
 167 with section 11-4a, a strategic plan to implement subdivisions (1) to (5),
 168 inclusive, of this subsection.

169 Sec. 4. (NEW) (*Effective from passage*) (a) As used in this section:

170 (1) "Commission" means the Connecticut Commission on Arts,
 171 Tourism, Culture, History and Film created by section 210 of public act
 172 03-6 of the June 30 special session;

173 (2) "Executive director" means the executive director of the
 174 Connecticut Commission on Arts, Tourism, Culture, History and Film
 175 appointed pursuant to section 211 of public act 03-6 of the June 30
 176 special session;

177 (3) "Former tourism district" means the tourism districts, as defined
 178 in section 32-302 of the general statutes, revision of 1958, revised to
 179 January 1, 2003; and

180 (4) "Regional tourism district" means one of the five regional
 181 tourism districts created by section 218 of public act 03-6 of the June 30
 182 special session.

183 (b) Any former tourism district having a cash surplus, after
 184 accounting for all liabilities, may distribute such surplus to the
 185 regional tourism district or districts serving the towns formerly served
 186 by such district. Any distribution shall be divided among the new
 187 district or districts in accordance with the following schedule:

T1	Former District	New District(s)
T2		
T3	Northeastern	Eastern (100%)
T4	Southeastern	Eastern (100%)
T5	North Central	Central (100%)
T6	Greater Hartford	Central (95%)
T7		Northwestern (5%)
T8	Central Connecticut	Central (80%)
T9		South Central (20%)
T10	Connecticut Valley	Central (60%)

T11		South Central (40%)
T12	Greater New Haven	South Central (67%)
T13		Northwestern (20%)
T14		Southwestern (13%)
T15	Litchfield Hills	Northwestern (100%)
T16	Housatonic Valley	Northwestern (100%)
T17	Greater Waterbury	Northwestern (100%)
T18	Greater Fairfield	Southwestern (100%)

188 (c) Any former tourism district may, with the approval of the
 189 executive director, transfer noncash assets, including fixed assets and
 190 leases, to a regional tourism district or districts serving the towns
 191 formerly served by such district.

192 (d) Any regional tourism district may, by vote of its board of
 193 directors and with the approval of the commission, assume the
 194 liabilities of a former tourism district that served all or part of the area
 195 served by the new district. No such assumption shall be approved
 196 unless (1) the regional district's approved budget makes provision for
 197 the costs arising from the assumption of liability; and (2) the
 198 commission finds that the proposed assumption of liability is fair and
 199 equitable.

200 Sec. 5. (NEW) (*Effective from passage*) Any tourism district in
 201 existence on July 1, 2003, that terminates operations prior to January 1,
 202 2004, may file a single audit report for the period from July 1, 2002,
 203 until the termination of such district's operations. Such audit shall in
 204 all other respects comply with the provisions of chapter 55b of the
 205 general statutes.

206 Sec. 6. Subsection (e) of section 210 of public act 03-6 of the June 30
 207 special session is repealed and the following is substituted in lieu
 208 thereof (*Effective from passage*):

209 (e) Wherever the words "State Commission on the Arts",
 210 "Connecticut Historical Commission", "Office of Tourism" [and]
 211 "Connecticut Film, Video and Media Office" and "Connecticut

Commission on Arts, Tourism, Culture, History and Film" are used in the following sections of the general statutes, or in any public or special act of the 2003 or 2004 session the words "Connecticut Commission on [Arts, Tourism, Culture, History and Film] Culture and Tourism" shall be substituted in lieu thereof: 3-110f, as amended, 3-110h, as amended, 3-110i, as amended, 4-9a, as amended, 4b-53, as amended, 4b-60, as amended, 4b-64, as amended, 4b-66a, as amended, 7-147a, as amended, 7-147b, as amended, 7-147c, as amended, 7-147j, as amended, 7-147p, as amended, 7-147q, as amended, 7-147y, as amended, 8-2j, as amended, 10-382, as amended, 10-384, as amended, 10-385, as amended, 10-386, as amended, 10-387, as amended, 10-388, as amended, 10-389, as amended, 10-391, as amended, 10a-111a, as amended, 10a-112, as amended, 10a-112b, as amended, 10a-112g, as amended, 10-384, as amended, 11-6a, as amended, 12-376d, as amended, 13a-252, as amended, 19a-315b, as amended, 19a-315c, as amended, 22a-1d, as amended, 22a-19b, as amended, 25-102qq, as amended, 25-109q, as amended, 29-259, as amended, and 32-6a, as amended.

Sec. 7. Section 32-306 of the general statutes, as amended by section 218 of public act 03-6 of the June 30 special session, is repealed and the following is substituted in lieu thereof (*Effective from passage*):

As used in this section and section 32-307, as amended: "Visitor welcome center" means the welcome centers, visitor centers and tourist information centers located in [Middletown, Southington, Wallingford,] West Willington, Greenwich, [Windsor Locks,] Danbury, Darien, North Stonington, [Plainfield,] and at Westbrook, [and at Bradley International Airport,] which have been established to distribute information to persons traveling in the state for the purpose of influencing such persons' level of satisfaction with the state and expenditures in the state and their planning for present and future trips to the state.

Sec. 8. Section 32-307 of the general statutes, as amended by section 219 of public act 03-6 of the June 30 special session, is repealed and the

245 following is substituted in lieu thereof (*Effective from passage*):

246 The following measures shall be implemented to enhance the
247 operation of visitor welcome centers:

248 (1) Each center shall make available space for listing events and
249 promoting attractions, by invitation to the Connecticut tourism
250 industry, including tourism districts, chambers of commerce and any
251 other tourism entities involved in Connecticut tourism promotion;

252 (2) The Commission on Arts, Tourism, Culture, History and Film,
253 established under section 210 of [this act] public act 03-6 of the June 30
254 special session, in consultation with the Department of Transportation,
255 shall develop plans for (A) consistent signage for the visitor welcome
256 centers, and (B) highway signage regulations for privately operated
257 centers;

258 (3) The Department of Transportation and the commission shall
259 establish an "Adopt A Visitor Welcome Center" program, under which
260 local civic organizations may provide maintenance, gardening,
261 including wildflowers, and complimentary refreshments or any other
262 type of service at a visitor welcome center to enhance the operation of
263 the center;

264 (4) The commission shall place a full-time year-round supervisor
265 and a part-time assistant supervisor at the Danbury, Darien, North
266 Stonington and West Willington centers. The responsibilities of each
267 supervisor shall include, but not be limited to: (A) Maintaining a
268 sufficient inventory of up-to-date brochures for dissemination to
269 visitors, (B) scheduling staff so as to assure coverage at all times, (C)
270 training staff, (D) compiling and maintaining statistics on center usage,
271 (E) serving as liaison between the commission, the Department of
272 Transportation, the tourism district in which the center is located and
273 businesses in such district, (F) maintaining quality tourism services,
274 (G) rotating displays, (H) evaluating staff, (I) problem-solving, and (J)
275 computing travel reimbursements for volunteer staff;

276 (5) Subject to available funds, the commission shall place a seasonal
277 full-time supervisor and a seasonal part-time assistant supervisor at
278 the Greenwich, [Southington,] and Westbrook [and Windsor Locks]
279 centers. The commission shall discontinue staffing at the Middletown,
280 Plainfield and Wallingford centers, and shall, in conjunction with the
281 tourism industry, seek contract workers to provide tourism services at
282 the [Middletown and Wallingford centers and at the Southington and]
283 Westbrook [centers] center when not staffed by the state;

284 (6) Subject to available funds, the commission, in conjunction with
285 the tourism industry, shall develop and implement initial staff training
286 and conduct periodic training of full-time and part-time supervisors.
287 [;]

288 [(7) Each center shall have an electronic information system to
289 highlight attractions and provide event, restaurant, museum and other
290 information to visitors. Such systems shall be provided at no cost to the
291 state and any revenue generated through the request for proposal
292 process shall be deposited in the General Fund;

293 (8) Each center shall provide no-cost lodging reservation services;
294 and

295 (9) The commission, in conjunction with the regional tourism
296 districts and the private sector, shall establish a dedicated highway
297 radio station which shall highlight ongoing tourism activities and
298 encourage travelers to stop at visitor welcome centers.]

299 Sec. 9. Section 10-370 of the general statutes, as amended by section
300 220 of public act 03-6 of the June 30 special session, is repealed and the
301 following is substituted in lieu thereof (*Effective from passage*):

302 With respect to arts activities, the Connecticut Commission on
303 Culture, Arts, Film and Tourism, established under section 210 of [this
304 act] public act 03-6 of the June 30 special session, as amended by this
305 act, shall encourage, within the state or in association with other states,
306 or both, participation in, and promotion, development, acceptance and

307 appreciation of, artistic and cultural activities that shall include, but are
308 not limited to, music, theater, dance, painting, sculpture, architecture,
309 literature, films and allied arts and crafts and to this end shall have the
310 following powers: (1) To join or contract with consultants, private
311 patrons, individual artists and ensembles and with institutions, local
312 sponsoring organizations and professional organizations; (2) to enter
313 into contracts to provide grants, loans or advances to individuals,
314 organizations, or institutions, public or private, that are engaged in or
315 plan to engage in artistic and cultural programs or activities within the
316 state, or that are engaged in or plan to engage in the promotion,
317 development, or encouragement of artistic and cultural programs or
318 activities within the state; (3) to accept, hold and administer, on behalf
319 of the commission, in accordance with the provisions of sections 4-28,
320 4-31, 4-31a and 4b-22, real property, personal property, securities,
321 other choses in action and moneys, or any interest therein, and income
322 therefrom, either absolutely or in trust, for any purpose of the
323 commission. The commission may acquire or receive such property or
324 money for its purposes by the acceptance of state or federal or public
325 or private loans, contributions, gifts, grants, donations, bequests or
326 devises, and the commission shall deposit or credit the same in the
327 Connecticut Commission on Arts, Tourism, Culture, History and Film
328 Fund established under section 213 of [this act] public act 03-6 of the
329 June 30 special session; (4) to establish a nonprofit foundation for the
330 purpose of raising funds from private sources to encourage, within the
331 state or in association with other states, or both, participation in, and
332 promotion, development, acceptance and appreciation of, artistic and
333 cultural activities that shall include, but are not limited to, music,
334 theater, dance, painting, sculpture, architecture, literature, films,
335 heritage, historic preservation, humanities and allied arts and crafts.
336 All funds received by the foundation shall be held in the manner
337 prescribed by sections 4-37e to 4-37j, inclusive; and (5) to perform such
338 other acts as may be necessary or appropriate to carry out the
339 objectives and purposes of the commission. The General Assembly
340 declares that all activities undertaken in carrying out the policies set
341 forth in this chapter shall be directed toward encouraging and

342 assisting, rather than in any way limiting, the freedom of artistic
343 expression that is essential for the well-being of the arts. Said
344 commission shall maintain a survey of public and private facilities
345 engaged within the state in artistic and cultural activities and
346 determine the needs of the citizens of this state and the methods by
347 which existing resources may be utilized, or new resources developed,
348 to fulfill these needs. The commission shall maintain a register of
349 Connecticut artists. The name, town of residence and artistic medium
350 of any such artist residing in Connecticut shall be entered in the
351 register by the commission upon the artist's request.

352 Sec. 10. Section 10-320e of the general statutes, as amended by
353 section 228 of public act 03-6 of the June 30 special session, is repealed
354 and the following is substituted in lieu thereof (*Effective from passage*):

355 (a) The commission may provide an appropriate plaque or marker
356 at a cost, to be determined by the commission, to the recipient for
357 attachment to an historic structure or landmark identifying it as a
358 Connecticut historical landmark within the criteria adopted by the
359 commission and as identified through the state register of historic
360 places, if the owner agrees to display such plaque or marker in a
361 manner satisfactory to the commission. Any such plaque or marker
362 may be repossessed by the commission if the historic structure or
363 landmark is not maintained in a manner satisfactory to the
364 commission.

365 (b) The Connecticut Commission on Arts, Tourism, Culture, History
366 and Film, established under section 210 of [this act] public act 03-6 of
367 the June 30 special session, as amended by this act, in conjunction with
368 the Amistad Committee, Inc., New Haven, shall establish a Freedom
369 Trail [for the state of Connecticut which marks, with plaques, the sites
370 related to minority history] and a program to recognize, document and
371 mark sites in this state that are associated with the history and
372 movement towards freedom of its African-American citizens, the
373 Underground Railroad and the abolition of slavery. The commission
374 and the Amistad Committee, Incorporated, of New Haven shall

375 designate and mark the sites of the Freedom Trail. The commission
376 shall establish a program to publicize the existence of the Freedom
377 Trail and shall publish a brochure which indicates the location and
378 history of the sites.

This act shall take effect as follows:	
Section 1	<i>from passage and applicable to assessment years commencing on or after October 1, 2002</i>
Sec. 2	<i>from passage</i>
Sec. 3	<i>from passage</i>
Sec. 4	<i>from passage</i>
Sec. 5	<i>from passage</i>
Sec. 6	<i>from passage</i>
Sec. 7	<i>from passage</i>
Sec. 8	<i>from passage</i>
Sec. 9	<i>from passage</i>
Sec. 10	<i>from passage</i>

FIN *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 05 \$	FY 06 \$
Policy & Mgmt., Off.	GF - Implements the Budget	See Below	See Below
Commission on Arts, Tourism, Culture, History and Film	GF - None	None	None

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 05 \$	FY 06 \$
Various Municipalities	Implements the Budget	See Below	See Below

Explanation

The bill implements provisions of the original biennial budget by prorating grants to Distressed Municipalities if there are insufficient appropriations. In the current fiscal year, FY 04, appropriations of \$7 million are insufficient to fully fund the grant, which would require \$8.01 million, thus grants to municipalities were prorated. For FY 05, the Appropriations Act¹ as favorably reported by the Appropriations Committee on March 25, 2004, contains \$7.8 million for grants to Distressed Municipalities. It is anticipated this will result in a prorated grant for FY 05. The extent of the anticipated proration is contingent on the amount required to fully fund the grant which will not be known until December 1, 2004 when the Office of Policy and Management prepares the list for the Comptroller to certify.

Provisions of the bill concerning the Connecticut Commission on Arts, Tourism, Culture, History and Film, including the name change

¹ sHB 5033 "AA Making Adjustments to the State Budget for the Biennium Ending June 30, 2005, and Making Appropriations Therefor"

to Connecticut Commission on Culture and Tourism (CCCT), preparation of budgets, working with the Amistad Committee, Inc., visitor center requirements and other technical changes, are conforming and/or minor and have no fiscal impact.

It should be noted that sHB 5033, the Appropriations Act, as favorably reported by the Appropriations Committee, provides a \$23,506,675 FY 05 appropriation for the commission. Current law provides, and this bill does not amend, that \$20 million be segregated from the hotel sales tax for use by the commission in FY 05.

OLR BILL ANALYSIS

sSB 29

AN ACT CONCERNING GRANTS TO DISTRESSED MUNICIPALITIES AND TOURISM**SUMMARY:**

Starting FY 2003-04, this bill requires the Office of Policy and Management (OPM) secretary to reduce proportionately the annual grants reimbursing towns for some of the taxes they forgo under laws that authorize property tax exemptions for specified businesses in enterprise zones and other designated areas. The secretary must prorate the grants when the total for all grants exceed the budgeted amount. He must already prorate the grants reimbursing all towns for the taxes they forgo on exempted machinery and equipment and commercial motor vehicles.

The bill changes the name of the Connecticut Commission on Arts, Tourism, Culture, History and Film to the Connecticut Commission on Culture and Tourism (CCCT). It requires CCCT to prepare an annual, instead of biennial, budget and submit it to OPM. Current law requires CCCT to submit its biennial budget and an accounting of its prior year expenditures directly to OPM and the legislature. The bill requires CCCT to submit a copy of these documents to the legislature.

It expands the purpose of a fundraising foundation CCCT may establish and requires it to work with the Amistad Committee, Inc. of New Haven on commemorating sites related to African-American history.

The bill allows the 11 former tourism districts to transfer their assets and liabilities to the five new districts created by PA 03-6, June 30 Special Session. It also makes it easier for the former districts to comply with the statutory single audit requirement.

Lastly, the bill drops the requirement that the visitor welcome centers provide certain information services to visitors and makes several technical changes.

EFFECTIVE DATE: Upon passage, with the provision requiring the secretary to prorate reimbursements applying to property tax assessment years starting on or after October 1, 2002.

CCCT

Art Foundation

The law allows CCCT, as the Connecticut Commission on the Arts' successor agency, to establish a nonprofit foundation to raise funds for artistic and cultural activities. The bill expands the list of eligible activities to include heritage, historic preservation, and humanities.

Freedom Trail

The bill requires CCCT, in conjunction with the Amistad Committee, Inc. of New Haven, to establish a program commemorating Connecticut sites associated with the Underground Railroad, the abolition of slavery, and the history and movement of African-American citizens toward freedom. It also requires these two organizations to designate and mark sites of the Freedom Trail. Current law requires them to mark the sites along this trail with plaques related to minority history.

FORMER TOURISM DISTRICTS' FINANCES

Transferring Assets and Liabilities

The bill allows the former districts to transfer their assets and liabilities to the new regional districts. A former district can transfer a specified share of its cash assets to a new district as long as that district serves some of the same towns as the former district. Table 1 shows the share of cash assets each former district may transfer to one or more new districts.

Table 1: Distribution of Cash Assets from Former to New Districts

<i>Former District</i>	<i>New District</i>	
	<i>District</i>	<i>Percent of Assets</i>
Northeastern	Eastern	100%
Southeastern	Eastern	100%
North Central	Central	100%

Greater Hartford	Central	95%
	Northwestern	5%
Central Connecticut	Central	80%
	South Central	20%
Connecticut Valley	Central	60%
	South Central	40%
Greater New Haven	Northwestern	20%
	Southwestern	13%
Litchfield Hills	Northwestern	100%
Housatonic Valley	Northwestern	100%
Greater Waterbury	Northwestern	100%
Greater Fairfield	Southwestern	100%

With the CCCT director's approval, the bill also allows a former district to transfer non-cash assets to a new district that also serves some of the same towns as the former district. These assets include fixed assets and leases.

The bill allows the former district to transfer its liabilities to the new district if the new district budgeted funds to cover the liabilities and the CCCT determines that it would be fair and equitable for the new district to assume them.

Single Audit

The former districts had to comply with the single audit requirement. PA 03-6, June 30 Special Session, terminated the 11 districts as of August 20, 2003, almost two months after the end of the fiscal year. The bill extends the audit period for those districts that were still operating after the fiscal year to the date they actually terminated, but no later than January 1, 2004. By doing so, the bill removes the need to submit a separate audit for the months in FY 2003-04 during which the districts were still operating.

VISITOR WELCOME CENTERS

The bill drops the requirement that the visitor welcome centers have electronic systems visitors can use to obtain information about different tourist attractions and services. It also drops the requirement that the centers provide free lodging reservation services and that they, in conjunction with the regional tourism districts and the private sector, establish a highway radio station that continually encourages travelers to stop at the center and provides information about tourist

attractions.

The bill makes technical changes conforming the list of welcome centers, deleting references to several centers that PA 03-6, June 30 Special Session, deleted from another section of the statutes.

BACKGROUND

Economic Development Related Property Tax Abatements

The law targets some property tax exemptions at state-designated areas and provides others statewide. The designated areas include the 17 enterprise zones, the 13 towns with enterprise corridor zones, and the four towns with entertainment districts. They also include the balance of the 17 enterprise zone towns, which the law designates as “targeted investment communities.” The law also has designations for specific types of properties, such as railroad depots and defense plants.

Eligible businesses in these areas qualify for a five-year, 80% exemption on the assessed value of newly acquired, constructed, renovated, or expanded facilities and the machinery and equipment they install in them. The state reimburses towns for 50% of their revenue loss.

PA 88-278 extended the exemption for machinery and equipment to other businesses in enterprise zones that did not improve their facilities. A business qualified for the exemption if it acquired manufacturing machinery and equipment to upgrade its processes. PA 90-270 authorized a 100%, five-year exemption available statewide for newly acquired manufacturing machinery and equipment. PA 96-265 extended this exemption to certain commercial motor vehicles. The state reimburses towns for 80% of the revenue they forgo.

CCCT

PA 03-6, June 30 Special Session, created the Connecticut Commission on Arts, Tourism, Culture, History and Film, which the bill renames CCCT. The act charged the commission with largely the same missions that were assigned to several commissions and offices the act eliminated. These were the Arts, Historical, and Film commissions; the Tourism Council and Tourism Office; and the Film Office. It also requires the Connecticut Humanities Council and the Connecticut

Trust for Historic Preservation, two nonprofit entities, to operate in conjunction with the commission for strategic planning and financial reporting purposes.

Related Bill

sSB 507 (File 269) also requires the commission to recognize, document, and mark sites commemorating the same historical events as this bill. The Senate passed the bill on March 31 and sent it to the House.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 41 Nay 1